

**MEMORANDUM**

TO: District of Columbia Zoning Commission

FROM: Jennifer Steingasser, Deputy Director

DATE: March 5, 2012

SUBJECT: Zoning Commission Case No. 05-37B: **Final Report** for a Modification to an Approved Consolidated Planned Unit Development in Square 752 – Capitol Place

I. SUMMARY RECOMMENDATION

Station Townhouses LLC (the “Applicant”) requests Zoning Commission (the “Commission”) approval for a modification to Order 05-37. The Applicant’s original request for minor modifications was heard by the Commission on September 26, 2011. The Commission concluded that the changes were not minor and set down the application for a public hearing.¹ **OP recommends approval** of the proposed modification request.

II. APPLICATION

The original PUD and map amendment (Order 05-37) approved the construction of a residential building with a maximum gross floor area of 389,101 square feet and an overall density of 5.07 FAR.² The Applicant now requests several project changes, including alterations to the building’s residential unit count and mix, parking count and number of underground parking levels, and retail locations, among other features. Generally, the modifications would result in the following:

- Increase the total number of residential units;
- Decrease the residential and commercial/retail gross floor area; and
- Decrease the number of parking spaces.

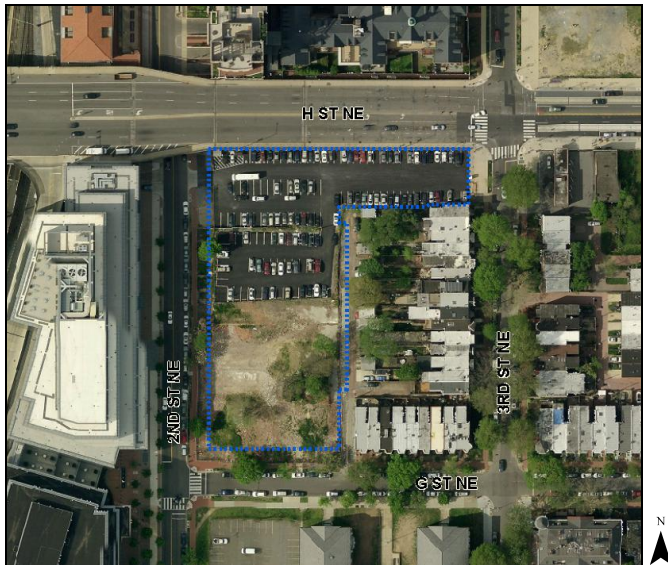
The Applicant has not requested any changes to the building’s height, general design (such as appearance and finishes of the project other than slight changes noted below), square footage devoted to affordable housing (20,570 square feet), or project benefits and amenities.

III. SITE DESCRIPTION

The site is located between 2nd and 3rd Streets N.E. and G and H Streets N.E. It includes the south side of the 200 block of H Street and extends south to G Street. The site has a land area of 76,713 square feet. More generally, it is located at the eastern end of the H Street (Hopscotch) Bridge and the west end of the H Street corridor. The site is in close proximity to Union Station.

¹ The Commission also approved the Applicant’s request for a two-year time extension at the Commission’s October 3, 2011 Special Meeting.

² The Commission also approved a two-year extension to the original order pursuant to ZC Order No. 05-37A. The properties were then known as Lots 39-41, 45, 48, 801, 804-06, 811, 813, 814, 856-57, and 860 in Square 752. The site now appears to be identified collectively as Lot 861.



View of the Site as Highlighted (2011 Photo)

IV. PROPOSED MODIFICATIONS

The Applicant proposes the following project modifications:

1. Square Footage Total and Allocation

The overall development would shrink by about 4% or 15,632 square feet.³ The total FAR would decrease from 5.07 to 4.87 FAR. More specifically, the residential gross floor area would decrease by about 3.5% and the commercial/retail gross floor area would be trimmed by about 11.4%. The following chart illustrates the changing square footages:

Type	Approved Plans (sq. ft.)	Approved Plans FAR (approx.)	Proposed (sq. ft.)	Proposed FAR (approx.)
Residential	363,324	4.74	350,627	4.57
Commercial/retail	25,777	.34	22,842	.34
Total	389,101	5.07	373,469	4.87

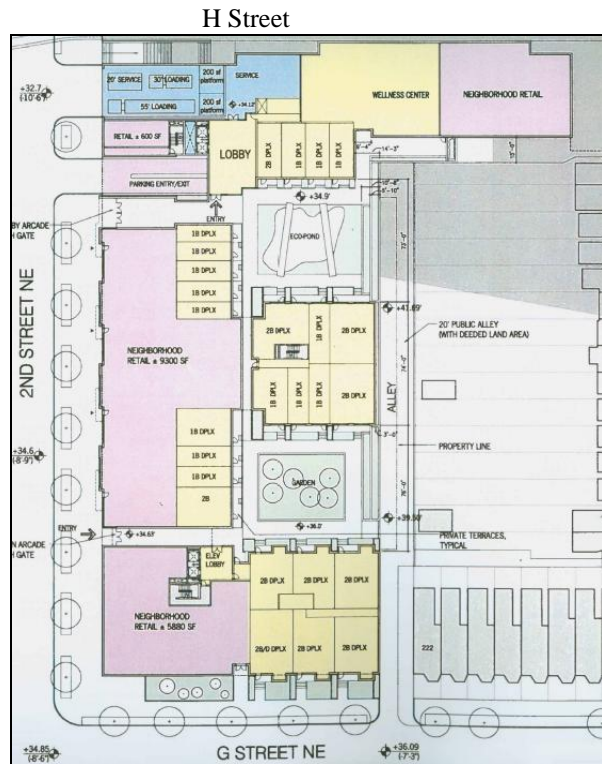
The project's retail use also has shifted slightly in location within the building. For example, the depth of retail space along the ground floor facing 2nd Street was thinned to provide space for tenant spaces (such as a club room, game room, and computer space) and to "pull retail back further from the residential uses on G Street" where two additional residential units were inserted. A small retail space between the parking garage entrance and the loading dock along 2nd Street was eliminated. Retail space was expanded along the second floor facing H Street. A professional office space on the building's third floor at the northwest corner of the site also was replaced with two residential units. OP does not object to the proposed changes which are limited in scope and generally retain stretches of retail along H and 2nd Streets.

Following the Applicant's December 28, 2011 pre-hearing submission, the Applicant has informally discussed a request for additional flexibility to adjust the targeted retail gross floor area of 22,842 square feet to a level somewhere between 20,000 square feet and 24,000 square feet within the locations generally identified for retail space. The Applicant asserts that the flexibility would allow the project to respond to leasing and space needs of future tenants. The Applicant also requested the ability to include management/leasing office within the proposed retail gross floor area. The management/leasing office would be 2,500 square feet in size at largest (a preliminary

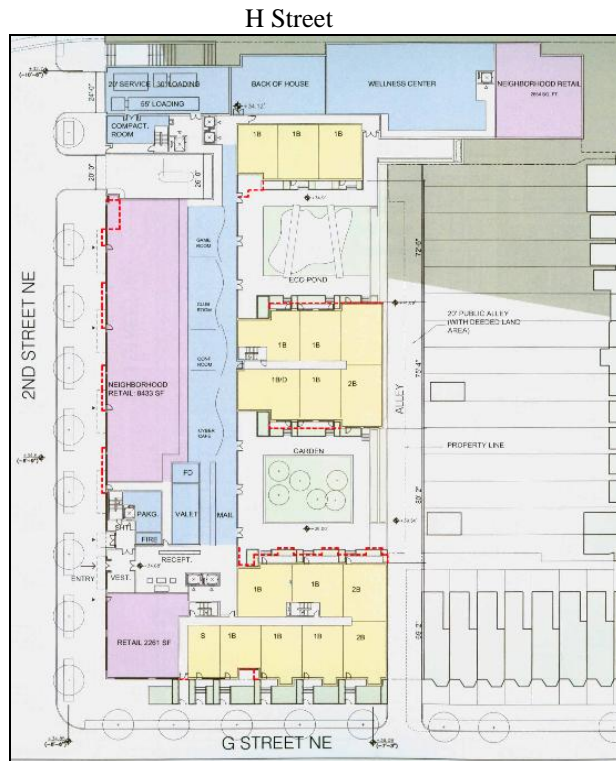
³ The Applicant proposes for the building to shrink an additional 2,438 square feet compared to the original modification application dated August 19, 2011.

estimate) with a likely location along 2nd Street. While OP does not generally object to the requested flexibility in retail gross floor area or the inclusion of a management/leasing office in the project, OP encourages the Applicant to address at the hearing how both retail flexibility requests would not overly interrupt the supply or spirit of the project's commitment to neighborhood serving retail.

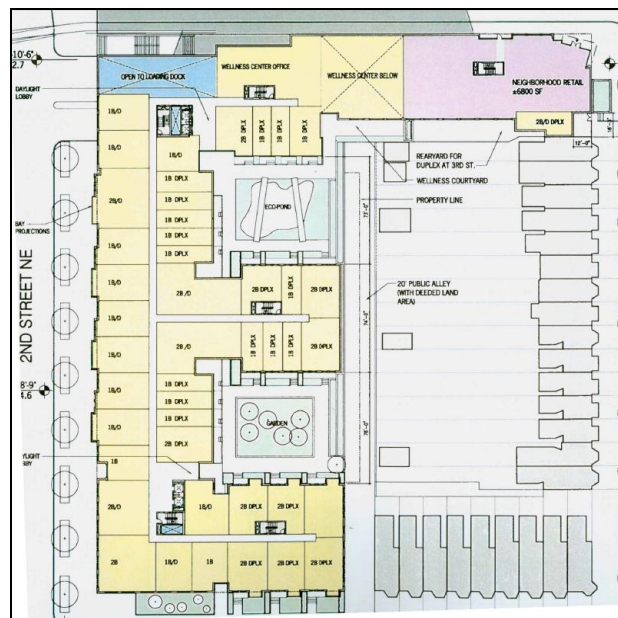
The ground floor and second floor plans, as also provided in a larger scale on pages 27-28 of the Applicant's December 28, 2011 submission labeled "Comparative PUD Plans", would be most impacted by the modifications. Comparative copies of these existing and proposed floor plans are reproduced below. OP notes that the color pink represents commercial/retail, blue is service, yellow is residential, and green is garden.



Approved Ground Floor



Modified Ground floor (proposed)



Approved Second Floor



Modified Second Floor (proposed)

2. Number of Residential Units and Sizes

The number of units would increase by about 24% from “approximately 302” to “a maximum of 375.” The average unit size would be reduced to create a unit mix that the Applicant believes would better match market demand.⁴ The new lineup also would supply a more diverse offering of unit types. To accommodate the added residential space, the Applicant proposes to reorganize existing residential floor plans and to convert both underused space and retail/office space to residential use. The mean square footage for residential units would fall approximately 22% from about 1,203 square feet to 935 square feet. The Applicant also committed to provide the same amount of square footage of affordable housing as approved in the original PUD irrespective of the decrease in gross floor area of the building.⁵ The unit types and count would be as follows:

Unit Type	Approved Plans (#)	Proposed Modification (#)
Studio	0	60
One bedroom	223	246
Two bedrooms	79	69
Total	302	375

3. Number of Parking Spaces

The Applicant proposes to eliminate a third underground level of parking and to redesign the parking layout. As a consequence, the number of parking spaces would be reduced by about 18% from the approved “318 parking spaces plus 60 tandem spaces” to 309 spaces with no tandem spaces. Of that amount 244 spaces would be assigned to the residential units (down from 278 spaces), 40 spaces would be used for retail and office use, and 25 spaces would remain unassigned. Eighty-five bicycle parking spaces would be provided on-site consistent with the approved Order. The Applicant’s Transportation Impact Evaluation, which reviewed proposed modifications, concluded that the proposed modifications would not have a significant impact on the traffic operations of the area and that the proposed parking supply should be sufficient.⁶ OP has no objection to the reduction in parking spaces, particularly in light of the site’s transit accessible location. The number of parking spaces would be as follows:

Parking Approved Plans (#)	Parking Proposed (#)
378 (including 60 tandem spaces)	309 (no tandem spaces)

The Applicant also has indicated that 17 compact spaces on each level (34 in total) would be parked in whole or in part beneath a portion of the Applicant’s private property which would be dedicated for an alley. As such, the Applicant requested flexibility to provide a portion of the required parking within this vault space.

4. Modification to Building Massing/Exterior Details

⁴ The Applicant proposes 19 fewer studio units and 19 additional one-bedroom units compared to the original modification submission, dated August 19, 2011.

⁵ Order No. 05-37 required the Applicant to provide approximately 20,570 square feet of gross floor area devoted to affordable units. The Order provided that the total amount of affordable housing constructed shall be equal to 15% of the bonus residential density (i.e., the increase of gross floor area resulting from the PUD) The affordable units shall be reserved for households making no more than 80% of the Area Median Income.” See Order, page 27.

⁶ See Applicant’s Pre-hearing Submission dated December 28, 2011, Exhibit D.

The Applicant proposes minor changes to the building massing. Portions of the building's east wall facing the interior courtyard would be moved 5' to the west.⁷ In addition, since the setdown of the application, the Applicant has identified additional minor refinements to exterior walls "to allow for column lines to better match demising walls in units and to allow for more regularized walls for construction purposes."⁸ The Applicant also proposes slight "refinements to exterior detailing, including minor reductions in cornice projections, elimination of trellis elements on the roof of the 2nd Street elevation, and a reduction in the depth of the 'eyebrows' on G Street" were made.⁹ Additionally, the location of a penthouse on the northeast side of the building's roof would shift slightly south, although the Applicant has indicated that the location would be consistent with zoning requirements. OP does not object to the minor proposed changes to massing and exterior details which appear consistent with the original design intent and approval.

5. Entrance Changes

Following the Commission setdown the application for a public hearing, the Applicant also has made additional changes to the location of building entrances:

- Entrance along 2nd Street – Two residential building entrances along 2nd Street were consolidated into a single entrance along southern end of the project along 2nd Street. The revised entry system likely would create a more logical and space efficient entry to the residential building.
- Entrance along H Street – The elimination of professional office space located at the northwest corner of the third floor (which was replaced with residential units) also removed an entry into the residential building from H Street. The Applicant has proposed that a new entrance into the building from H Street be located further east along H Street on the building's second floor.

6. Loading Change

The Applicant has indicated to OP that, following recent discussions with DDOT, the Applicant may request additional flexibility with regards to the loading design. The Applicant is considering eliminating an approved 55' loading berth, which the Applicant has indicated would be excessive for the development's needs. The project would still include a 30' loading berth and a 20' service/delivery space. OP anticipates that DDOT will provide comments regarding loading in a separately submitted report.

V. BENEFITS/AMENITIES

The Applicant has not requested any changes to approved benefits and amenities for the project.

VI. COMPREHENSIVE PLAN

The requested modifications should not be inconsistent with the Comprehensive Plan ("Comp Plan"). The 2010 Comp Plan Future Land Use Map identifies the site for Medium-Density Residential/Moderate-Density Commercial. The Medium-Density Residential designation defines neighborhoods or areas where mid-rise (i.e., four to seven stories) apartment buildings are the predominant use. The Moderate-Density Commercial designation defines shopping and service areas that are somewhat more intense in scale and character than the low-density commercial areas. The modified project is consistent with this designation. Additionally, the project would be consistent with such Comp Plan guidance including transit-oriented development (LU-1.3), expanding housing supply (H-1.1), and mixed-use development (H-1.1.4), among others.

VII. AGENCY COMMENTS

⁷ See Applicant's pre-hearing submission "Comparative PUD Plans", page 29. Also, the Applicant's original modification submission dated August 11, 2011 proposed that, for the middle bar of the "E" of the building, the east wall along the 4th and 5th floors would be moved west by approximately 17'. The Applicant subsequently decided to forgo this modification.

⁸ Applicant's Pre-hearing Submission dated December 28, 2011, page 8.

⁹ Applicant's Pre-hearing Submission dated December 28, 2011, pages 8-9.

DDOT has indicated that it will be submitting a report under separate cover.

VIII. COMMUNITY COMMENTS

The Applicant provided OP with a copy of an ANC 6C resolution, dated January 17, 2012, indicating a unanimous vote in support of the Applicant's proposed modifications.

JS/pg
Case Manager: Paul Goldstein